

# Private colleges rein in support

## Economy cuts financial aid

By Eric Gorski  
Associated Press

In the past year, the nation's private colleges have laid off staff, shelved construction projects, slashed sports teams and turned down thermostats to cut costs. But student financial aid has kept flowing.

Now the weak economy is forcing some institutions to limit aid — after many of them doubled or even tripled financial aid in the past decade to attract more applicants and reduce student debt.

Two of the nation's most selective private colleges — Dartmouth and Williams, a private liberal arts college in Williamstown, Mass. — announced they would no longer offer aid packages that allow students of any income to attend without taking out loans.

Other schools are expected to follow suit, meaning many middle-class students will face more debt.

Situations vary depending on the school, but experts expect financial aid at private schools to be less generous than last year while colleges increase tuition by 4 percent to 6 percent.

Many colleges dipped into savings last year to increase student aid substantially out of concern their enrollments would plunge because of the economic downturn — fears that went unrealized at most schools.

"There's a bit of a feeling that, in increasing aid, maybe colleges went a little overboard because there was a lot of panic a year ago," said Roland Kinge, vice president of public affairs for the National Association of Independent Colleges and Universities. "I think it's going to be a more austere year."

On Monday, Dartmouth College in Hanover, N.H., became the latest prestigious private institution to announce sweeping cutbacks. The Ivy League school said it will lay off about 76 employees as part of a plan to close a projected \$100 million budget gap.

The Dartmouth board also approved a 4.6 percent increase in undergraduate tuition, room and board, and fees, raising the annual tab to \$52,275, officials said.